

21st August, 1944.

B.S. 1944/8A

NEW SOUTH WALES.

BUSINESS STATISTICS AUGUST, 1944.

C O N T E N T S.

PART I PRIMARY & EXPORT INDUSTRIES.

RURAL INDUSTRIES - GENERAL.

Seasonal conditions improved by good rains in north but droughty conditions continue in South and South-west.

WHEAT, OATS & MAIZE. 1943/44 crops for grain, hay and green fodder.

WOOL. Consumption of apparel wool in U.S.A. - Increased production of rayon and staple fibre in U.S.A. Pre-war production and consumption of wool cloths in United Kingdom.

DAIRYING INDUSTRY. Low butter production, June, 1944. Pay to cream suppliers.

PART II FINANCE & TRADE.

GENERAL: Sydney Water Board - Conversion loan. Relaxation of import restrictions on some goods. Reduction of interest rates.

COMMONWEALTH ACCOUNTS: July, 1944.

STATE ACCOUNTS: July, 1944.

TRADING BANKS: Liabilities and Assets in Australia, June, 1944.

BANK CLEARINGS: July, 1944.

NOTE ISSUE: July, 1944.

REAL ESTATE: Transfers and Mortgages Registered, July, 1944.

PRIMARY AND EXPORT INDUSTRIES.

Seasonal conditions. During the first half of August, general moderate to heavy rainfall was received in the upper half of the State, extending to parts of the Far West. Over this area a good basis has been established for improvement in pastures and wheat crops, but follow up rains are needed. Dry conditions still prevail in southern districts, the need of good rains being urgent in the South-west Slopes and throughout the Riverina and Far South West.

RAINFALL INDEX - N.S.W.

Weighted average ratio of actual to normal rainfall.

Normal rainfall each month = 100.

Month	Sheep	Wheat Districts	Dairying (Coastal) Districts
1944 - Jan.	45	28	178
Feb.	58	32	37
Mar.	41	49	50
Apr.	61	80	28
May	127	136	59
June	16	14	57
July	70	53	148

WHEAT.

Final figures of the 1943/44 season's wheat crop are compared below with results in the five preceding seasons. The area sown to wheat for all purposes (nearly 3 m. acres) in 1943/44 was the smallest since 1912/13.

As compared with 1938/39, the area harvested for grain decreased by 42% but the yield (47.5 m. bushels) showed a decline of only 21%. This was due to the high average per acre (17.6 bushels) which was second only to 17.8 bushels obtained in 1920/21. The area out for hay was small.

WHEAT CROPS - NEW SOUTH WALES.

Year	Area Harvested.				Total Yield		Average Yield per acre.	
	For Grain	For Hay	For Green Fodder	Total Area	Grain	Hay	Grain	Hay
					million bushels	thousand tons	bushels	tons
			thousand acres					
1938-39	4651	559	36	5246	59.9	612	12.9	1.09
1939-40	4381	264	36	4681	76.6	373	17.5	1.32
1940-41	4454	355	57	4866	23.9	271	5.4	0.76
1941-42	3969	346	27	4342	48.5	315	12.2	0.91
1942-43	3033	287	66	3386	51.7	373	17.0	1.30
1943-44	2693	198	84	2975	47.5	250	17.6	1.26

The goal set for the N.S.W. acreage of wheat for grain in 1945/46 is 3.8 m. acres. It has been forecast that, due to dry weather, the current 1944/45 acreage will not exceed last year's (2.7 m. acres) although the goal was fixed at 3.4 m. acres.

OATS.

The area (967,000 acres) sown to oats in N.S.W. in 1943-44 was relatively large, although 159,000 acres less than in the previous year. There has been a notable increase in the area used for green fodder and a decrease in the area cut for hay. A good harvest of 7 m. bushels of grain was obtained from 374,000 acres.

OATS - NEW SOUTH WALES.

Year	Area Harvested				Yield	
	For Grain	For Hay	For Green Fodder	Total Area Harvested	Grain	Hay
				Thousand acres	thousand bushels	thousand bushels
1938-39	399	413	184	996	4831	431
1939-40	405	349	161	915	6904	460
1940-41	237	248	231	716	1995	177
1941-42	304	290	238	832	4118	284
1942-43	431	352	343	1126	7338	448
1943-44	374	252	341	967	7050	330

MAIZE.

In each of the last two seasons areas planted to maize in N.S.W. have been low, but yields (about 27 bushels per acre) were slightly above the average during the six years since 1938/39.

MAIZE - NEW SOUTH WALES

Year	Area Harvested		Total Area	Total Yield (Grain)
	For Grain	For Green Food		
	thousand acres	thousand acres	thousand acres	thousand bushels
1938-39	122	44	166	2905
1939-40	116	50	166	2833
1940-41	142	42	184	4044
1941-42	117	47	164	3142
1942-43	104	39	143	2815
1943-44	103	35	138	2769

WOOL.

U.S.A. Consumption of apparel wool in U.S.A. has been estimated by the Dept. of Agriculture at 1118 m. lb. (greasy) in 1943. This is slightly below 1128 m. lb. in 1942 but greatly in advance of 683 m. lb. in 1940. Consumption, 83 m. lb. in December, 1943, was the lowest monthly total since July, 1941, and compares with the monthly average of 93 m. lb. in 1943.

Figures published in "Rayon Organon" indicate that production in U.S.A. of rayon yarn and staple fibre continues to increase. Output was 160 m. lb. in March and 172 m. lb. in December quarters, 1943, and 178 m. lb. in March quarter, 1944. This was 72% more than in March quarter, 1939.

U.K. A report by the "National Wool Textile Export Corporation" on pre-war trends discloses that production in the United Kingdom in 1937 was 566 m. lb. of yarn and 475 m. sq. yds. of cloth, the total being 20% below output in 1912. Expansion in home consumption of wool cloths has sustained the textile industry in the face of diminished exports.

UNITED KINGDOM - WOOLLEN & WORSTED CLOTHS.
Million square yards.

Year	1924.	1930.	1933.	1934	1935.	1937.
Home use	243.8	224.9	313.6	311.9	321.7	345.1
Exports	231.9	119.0	99.7	108.9	117.5	129.5
Production	475.7	343.9	413.3	420.8	439.2	474.6

Current production is generally estimated to be little more than half pre-war and exports about one-third.

DAIRYING INDUSTRY.

Production of butter in N.S.W. showed further heavy decline in June, 1944, the quantity, 2.6 m.lb., being little more than two-thirds of the small output in June, 1943, and half that in June of the three preceding years.

In the year 1943/44 production was 87.9 m.lb. 6% less than in 1942/43 and 21% below 1939/40.

BUTTER PRODUCED - N.S.W. FACTORIES.
000,000 lb.

Period	Average '34-5/'36-7	1939-40	1940-41	1941-42	1942-43	1943-44
July to Sept.	18.2	20.3	16.5	15.1	16.5	11.5
Oct. to Dec.	36.6	37.4	27.5	24.0	30.8	33.3
January	15.1	12.6	14.5	6.7	13.0	12.8
February	13.4	10.6	12.8	8.3	10.2	10.2
March	14.0	9.6	11.7	10.1	8.7	8.4
April	10.9	9.2	8.7	8.6	6.1	5.2
May	7.7	7.3	6.8	6.8	4.8	3.9
June	5.2	5.0	5.2	5.5	3.7	2.6
Year	121.1	112.0	103.7	85.1	93.8	87.9

Deferred pay by certain North Coast factories for the six months Jan./June, 1944, was at the rate of 1¹⁶/₁₆ d. per lb. of commercial butter. The following statement shows for the months April, May and June, a comparison of the approximate rates of monthly and deferred pay and subsidy. The subsidy for the year 1st April 1944 to 31st March, 1945 is a basic rate of 3¹/₂ d. per lb. (commercial butter) and a seasonal payment of 2d. per lb. on 50 per cent. of the year's production spread over the "non flush" months April to October.

N.S.W. BUTTER: PAY TO CREAM SUPPLIERS BY CERTAIN NORTH COAST FACTORIES.

Pence per lb. of Commercial Butter.

Year	Monthly Pay.			Deferred Pay, each month	Subsidy each month Apr.-June	Total Pay		
	April	May	June			April	May	June
1939	12.25	12.00	12.50	1.06	...	13.31	13.06	13.56
1940	12.75	13.00	13.25	1.75	...	14.50	14.75	15.00
1941	12.87	13.00	13.25	1.00	...	13.87	13.00	14.25
1942	12.50	13.00	13.50	1.00	...	13.50	14.00	14.50
1943	13.79	13.79	13.75	1.12	3.8	18.71	18.71	18.67
1944	14.00	14.16	14.17	1.19	5.33	20.52	20.68	20.69

PART II. FINANCE, TRADE, ETC.

GENERAL.

A Sydney Water Board loan £1.5 m. maturing in October next is to be offered for conversion at an interest rate of £3.8s.9d.% with a currency of 14 years. The rate of the maturing loan is £4.5s.3d.%

Relaxation of import restrictions over a small range of goods has been announced by the Minister for Trade and Customs. Some of the items are needed for home building projects and others for reconditioning and equipping industry. Items of sterling and non-sterling origin are included in the list; some of the former have been exempted from licensing, whilst certain non-sterling goods, though still subject to licensing, are to be admitted freely. Quotas for other lines are fixed at 25%, 50% and 100% of imports in 1941-42.

Interest Rates on bank deposits, overdrafts and certain loans were reduced in terms of an order issued by the Commonwealth Bank on 10th August. It is the third order of this nature to be issued under National Security (Economic Organisation) Regulations, which were promulgated in February, 1942. The effects of the three orders in bringing about a reduction in rates of interest on fixed deposits and on savings bank deposits in excess of £500 are shown below, with previous war-time reductions in fixed deposit rates.

RATES OF INTEREST ON FIXED DEPOSITS & SAVINGS BANK DEPOSITS.

Month of change	Trading Banks Fixed Deposits				C'mwlth. Savings Bank.			
	3 months	6 months	12 months	24 months	Under £500	£500 to £1000	£1000 to £1300	Societies etc.
	%	%	%	%	%	%	%	%
At Sep. 1939	2	2½	2¾	3	2	1¾	1¾	2
Jan. 1940	1¾	2¼	2½	2¾	"	"	"	"
May, "	1½	2	2¼	2½	"	"	"	"
Sept. 1941	1½	1¾	2	2¼	"	"	"	"
* Mar. 1942	1½	1½	1¾	2	2	1½	Nil	2
* Jan. 1944	1	1¼	1½	2	"	"	"	"
* Aug. "	½	¾	1¼	1¾	2	1¼	Nil	2

* Maximum rates prescribed under National Security Regulations.

The maximum rate of interest chargeable by trading banks on overdrafts, fixed at 5% in March, 1942, has been reduced to 4¾%. At the outbreak of war the maximum rate of some of the banks was 5¾%.

Other reductions in maximum rates which apply to new loans only and not to existing loans, are -

Loans to local authorities (1) if under Government guarantee, from 3½% to 3¼%, (2) otherwise, from 3¾% to 3½%.

Loans by building societies and co-operative societies, from 5½% to 5¼% or rate previously charged if lower. Loans by Life Assurance Companies against their own policies, from 5% to 4¾%.

COMMONWEALTH ACCOUNTS.

Expenditure on war (£33.5 m.) in July, 1944, was £6.9 m. below the amount in July, 1943. The sum provided by revenue was £3.4 m. higher and that from loans £10.3 m. less. Civil expenditure was approximately the same as last year.

Revenue collections (excluding income tax reimbursed to States) amounted to £25.4 m. as compared with £22 m. last year. Income tax, £13.5 m., was higher by £3 m.

COMMONWEALTH EXPENDITURE (EXCL. INCOME TAX REIMBURSED TO STATES).

£ million.

Service.	Month of July.		
	1943.	1944.	Increase or Decrease.
War (1939) from -			
Revenue	12.1	15.5	(+) 3.4
Loans	28.3	18.0	(-) 10.3
Total War	40.4	33.5	(-) 6.9
Other Revenue Services	10.0	9.9	(-) 0.1
Total All Services	50.4	43.4	(-) 7.0

Treasury Bills outstanding on Commonwealth account (£348 m.) in July, 1944, were £68 m. more than a year ago.

STATE ACCOUNTS.

As compared with last year there were decreases in July, 1944, of £255,000 in revenue and £378,000 in expenditure. The net balance of the combined accounts (£417,000) shows an improvement of £123,000.

N.S.W. GOVERNMENT ACCOUNTS.

Month of July.

Accounts	1943-44	1944-45	Increase or Decrease (-)
	£000	£000	£000
Revenue - Consolidated Fund	1,724	1,818	(+) 94
Business Undertakings	3,248	2,970	(-) 278
Main Roads	256	185	(-) 71
Total	5,228	4,973	(-) 255
Expenditure - Consolidated Fund	2,222	2,172	(-) 50
Business Undertakings	2,513	2,225	(-) 288
Main Roads	199	159	(-) 40
Total	4,934	4,556	(-) 378
Excess of Revenue	294	417	(+) 123

✓ Railways, Trams & Buses, Road Transport and Traffic Fund, and Sydney Harbour.

PRIVATE TRADING BANKS.

In June, 1944, deposits declined by £2 m., the movement being consistent with year end conditions of heavy tax payments and low receipts of primary industries. Advances, which usually tend to increase in these circumstances, declined by £3.4 m. Investments in Government Securities increased by £5.3 m. following the increase of £3.5 m. in May; this item had been stationary during the previous six months. A further £2.6 m. was added to Special Wartime Deposits.

Deposits totalled £534.5 m. in June, 1944, the growth since 1939 amounting to £216.5 m. of which £65.6 m. occurred in 1942/43 and £81 m. in 1943/44. An increase of £22.5 m. in fixed deposits in 1943/44 contrasts with the decline of £18.3 m. between 1940 and 1942 and a small increase of £5.4 m. in 1942/43.

/Advances.....

Advances, £221.8 m. in June, 1944, have fallen by £70 m. during the war. Decreases amounted to £22.3 m. in 1942-43. and £24.2 m. in 1943-44.

NINE TRADING BANKS - AUSTRALIA.

Liabilities and Assets within Australia.
£ million.

Av. of Weekly Figures	Deposits.			Coin, Notes, etc. & Cash at C'wealth Bank.	Treas-ury Bills.	Govt. & Municipal Securities.	Special Wartime Deposits with C'wealth Bank.	Advance Discour etc.
	Bearing Interest (Fixed)	Not Bearing Interest (Current)	Total					
1939-June	200.9	117.1	318.0	28.6	23.9	22.1	-	291.7
1940 "	210.3	135.1	345.4	31.1	38.3	43.7	-	289.9
1941 "	204.9	155.1	360.0	33.3	36.1	61.9	-	283.7
1942 "	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
1943 "	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
1944 "	219.9	314.6	534.5	38.0	55.4	89.1	182.8	221.8
1943-Mar.	197.1	262.3	459.4	44.8	82.7	63.2	89.2	234.2
Apr.	197.3	261.6	458.9	30.2	77.6	69.0	95.9	242.4
May	196.3	257.8	454.1	33.3	55.3	74.1	102.0	245.8
June	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
1944-Mar.	218.2	320.8	539.0	45.4	76.0	80.5	164.5	224.4
Apr.	217.7	326.6	544.3	40.6	74.2	80.3	172.4	227.6
May	217.8	318.7	536.5	37.1	63.7	83.8	180.2	225.2
June	219.9	314.6	534.5	38.0	55.4	89.1	182.8	221.8

BANK CLEARINGS.

The Index of bank clearings in the three months ended July, 1944, was 168 as compared with 155 in the corresponding period last year.

INTER-BANK CLEARINGS - SYDNEY.

Period.	Amount of Clearings *				Index +			
	1939.	1942.	1943.	1944.	1939.	1942.	1943.	1944.
	£m.	£m.	£m.	£m.				
Feb.	75.5	97.1	105.7	121.2	96	123	139	147
Mar.	80.5	102.6	123.4	130.1	93	119	138	146
Apr.	70.7	95.4	125.3	108.4	98	125	150	150
May	82.0	98.9	123.0	143.6	100	125	155	158
June	80.3	116.6	132.6	140.1	101	133	163	166
July	71.2	99.7	114.3	123.0	98	130	155	168
Jan/July	526.7	702.3	831.0	873.9

* Treasury Bill transactions deducted. + Three months' moving average, Base: average in corresponding month 1926-1930 = 100.

NOTE ISSUE.

Australian notes in the hands of the public increased by £2 m. in the four weeks ended 24th July, 1944. At this date they amounted to £176.3 m., as compared with £126.7 m. last year and £34 m. in 1939.

AUSTRALIAN NOTES HELD BY PUBLIC.

	July 1939	July 1941	July 1942	July 1943	1944			
					April	May	June	July
£ millions	34.0	55.0	89.3	126.7	166.5	168.6	174.3	176.3

REAL ESTATE.

Registrations of real estate transfers amounted to £1.8 m. in June and nearly £2 m. in July, 1944. The amount has not exceeded £2 m. since April, 1942; subsequently the next highest amounts were £1.9 m. in November, 1942, and £1.8 m. in August, 1943.

REAL ESTATE TRANSACTIONS, N.S.W.

Thousand £

Month	Transfers Registered				Mortgages (Incl. Renewals)			
	1939.	1942.	1943.	1944.	1939.	1942.	1943.	1944.
Feb.	2,438	2,472	1,294	1,506	1,841	975	390	611
Mar.	3,623	2,083	1,550	1,552	2,225	996	503	663
Apr.	2,245	2,276	1,517	931	2,025	891	536	302
May	3,090	1,154	1,185	1,307	2,112	526	381	495
June	2,613	1,266	1,358	1,809	1,658	599	400	687
July	2,919	1,540	1,783	1,992	1,950	622	399	542
Jan/July	19,377	13,606	9,913	10,187	13,402	5,525	3,204	3,683